

Message Text

CONFIDENTIAL

PAGE 01 STATE 094710

64

ORIGIN EA-09

INFO OCT-01 ISO-00 EB-07 SS-15 SP-02 L-03 INR-07 SSO-00

INRE-00 /044 R

DRAFTED BY EA/EP:RHIMUS:SJB

APPROVED BY EA:RHMILLER

EA/EP:AGEBER

EA/VLC:BKIRKPATRICK

----- 007619

O 192330Z APR 76

FM SECSTATE WASHDC

TO AMEMBASSY JAKARTA IMMEDIATE

C O N F I D E N T I A L STATE 094710

STADIS////////////////////////////////

FOR DEPUTY ASSISTANT SECRETARY EDMOND

E.O. 11652: GDS

TAGS: EFIN, VS

SUBJECT: U.S. POLICY ON ADB LOANS TO LAOS

REF: MANILA 4857

1. ISSUE OF FUTURE ADB ACTIVITIES IN LAOS HAS ARISEN IN CONNECTION WITH ADB PROJECT DEVELOPMENT AS REPORTED REFTEL WHICH WE ARE REPEATING TO YOU.

2. WHILE NO NAC AGENCY OPPOSED THE PROJECT IN QUESTION (APPROVED EARLIER BY ADB IN A DIFFERENT FORM), TREASURY WISHED TO INSERT THE FOLLOWING CONCLUDING PHRASE IN OUT-GOING CABLE INSTRUCTING USADB DELEGATION NOT TO OBJECT TO PROJECT: QUOTE NEVERTHELESS, YOU SHOULD MAKE IT KNOWN PRIVATELY TO MANAGEMENT THAT THE U.S. GOVERNMENT WOULD NOT LOOK FAVORABLY, AT THIS TIME, ON ANY SUBSEQUENT PROJECT PRESENTED TO THE ADB FOR FINANCING BY THE LAOTIAN
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 094710

GOVERNMENT. END QUOTE.

3. WE SUGGESTED THE FOLLOWING WORDING AS BEING MORE CONSISTENT WITH OUR CURRENT POLICY: QUOTE WE HAVE TAKEN THE POSITION BOTH WITH THE LAO AND WITH WESTERN AID DONORS (WHO CONTINUE TO ASSIST LAOS AND WHO HAVE SOUGHT OUR VIEWS

ON THIS) THAT WHILE WE CANNOT OURSELVES PROVIDE BILATERAL ASSISTANCE, WE SHOULD RAISE NO OBJECTION TO ADB ACTIVITIES IN LAOS AS LONG AS SUCH ACTIVITIES MEET THE BANK'S STANDARDS OF ECONOMIC VIABILITY AND OTHER POLICY AND PROCEDURAL REQUIREMENTS. LAOS SHOULD NOT REPEAT, NOT BE GIVEN SPECIAL TREATMENT UNQUOTE.

4. OUR LANGUAGE WAS, HOWEVER, UNACCEPTABLE TO TREASURY BUT RATHER THAN ENGAGE US ON THE ISSUE JUST PRIOR TO HIS DEPARTURE FROM WASHINGTON, JOHN BUSHNELL PREFERRED NOT TO PROVIDE USADB WITH ANY INSTRUCTIONS AT ALL AND INSTEAD DISCUSS THE MATTER DIRECTLY WITH ROY PAPP IN JAKARTA.

5. SUGGEST THAT YOU DISCUSS WITH BOTH BUSHNELL AND PAPP. OUR PREFERENCE IS THAT WE RAISE NO OBJECTION TO PRESENT PROJECT BUT DO NOT DISCUSS FUTURE ADB ASSISTANCE TO LAOS WITH ADB MANAGEMENT AT THIS TIME. KISSINGER

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLICIES, DEVELOPMENT BANKS, DEVELOPMENT LOANS
Control Number: n/a
Copy: SINGLE
Draft Date: 19 APR 1976
Decaption Date: 28 MAY 2004
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: BoyleJA
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976STATE094710
Document Source: CORE
Document Unique ID: 00
Drafter: RHIMUS:SJB
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D760148-0339
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760446/aaaabnfw.tel
Line Count: 84
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN EA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: STADIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: STADIS
Reference: 76 MANILA 4857
Review Action: RELEASED, APPROVED
Review Authority: BoyleJA
Review Comment: n/a
Review Content Flags:
Review Date: 25 MAY 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <25 MAY 2004 by greeneet>; APPROVED <20 SEP 2004 by BoyleJA>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: U.S. POLICY ON ADB LOANS TO LAOS
TAGS: EFIN, VS, LA, US, ADB
To: JAKARTA
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006